



LEGISLATIVE FISCAL OFFICE
Fiscal Note

Fiscal Note On: **HB 171** HLS 12RS 554

Bill Text Version: **ENROLLED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: April 26, 2012	8:39 AM	Author: ANDERS
Dept./Agy.: Agriculture and Forestry		
Subject: Minimum deficiency assessment and inspection fee		Analyst: Stephanie C. Blanchard

AGRICULTURE

EN +\$3,114 SD RV See Note

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Provides relative to the regulations on sale of fertilizers

Present law provides that every person manufacturing or selling fertilizer shall be registered with the Louisiana Feed, Fertilizer, and Agricultural Liming Commission. Further provides for the payment of inspection fees on the basis of tonnage reports due on specific quarterly dates. Proposed law clarifies that the minimum inspection fee due shall be \$10 and clarifies the quarterly due dates as the first day of April, July, October, and January. Present law provides for the commissioner to assess a deficiency assessment against a guarantor if a given lot or shipment of fertilizer is found deficient in one or more guaranteed plant foods, based on analysis performed by the state chemist. Proposed law clarifies that the minimum deficiency assessment shall be \$10.

EXPENDITURES	2012-13	2013-14	2014-15	2015-16	2016-17	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2012-13	2013-14	2014-15	2015-16	2016-17	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$3,114	\$3,114	\$3,114	\$3,114	\$3,114	\$15,570
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Annual Total	\$3,114	\$3,114	\$3,114	\$3,114	\$3,114	\$15,570

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures as a result of this measure.

REVENUE EXPLANATION

The proposed legislation clarifies that registered fertilizer manufacturers pay a minimum inspection fee of \$10 for each required quarterly report of tonnage sold. Manufacturers are required to report the tonnage of fertilizer sold for use in Louisiana each quarter and submit \$1 per ton inspection fee. Based on FY 11 tonnage reports, a minimum quarterly inspection fee of \$10 would have generated an additional \$3,114 to the Feed and Fertilizer Fund. This amount was calculated based on the difference between the fees due if a minimum of \$10 was due and the actual tonnage fees collected in FY 11 (\$3,300 - \$186).

The proposed legislation also establishes a minimum deficiency penalty for samples found to be deficient by laboratory analysis. Currently, samples often result in penalties that can be not less than \$10 but often less than \$1. All deficiency assessments are paid by the guarantor to the person who purchased the fertilizer; therefore, this is not included in the revenue table above.

Senate	Dual Referral Rules	House	<i>Evan Brasseaux</i>
<input type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}		<input type="checkbox"/> 6.8(F)1 >= \$500,000 Annual Fiscal Cost {S}	
<input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}		<input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}	Evan Brasseaux Staff Director